

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Deployment of Wireline Services Offering) CC Docket No. 98-147
Advanced Telecommunications Capability)

**REPLY COMMENTS OF
TELEHUB NETWORK SERVICES CORPORATION**

TeleHub Network Services Corporation ("TNS") respectfully submits these reply comments in this proceeding concerning the deployment of advanced telecommunications capability to all Americans.¹ TNS submitted initial comments in this proceeding.²

**I. ADVANCED SERVICES SHOULD BE SUBJECT TO THE KEY MARKET
OPENING PROVISIONS OF THE 1996 ACT**

Section 706 of the 1996 Act directs the Commission to "encourage the deployment on a reasonable and timely basis of advanced telecommunications capability to all Americans." In the *Section 706 Order and NPRM*, the Commission proposes to further this goal by proposing to permit incumbent local exchange carriers (LECs) to establish separate wholly-owned affiliates that would be able to provide advanced services on an unregulated basis free from the interconnection,

¹ *Deployment of Wireline Services Offering Advanced Telecommunications Capability*, Notice of Proposed Rulemaking, CC Docket No. 98-147, FCC 98-188, released August 7, 1998 ("*Section 706 Order and NPRM*").

² Comments of TeleHub Network Services Corporation, filed September 25, 1998.

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unbundling, collocation, and resale obligations otherwise applicable to incumbent LECs under Section 251(c) of the Communications Act of 1934, as amended.³

TNS believes that the goals of Section 706 will be most successfully achieved if provision of advanced services by incumbent LECs is subject to the key interconnection and unbundling obligations the Act. These obligations will not prevent incumbents from meeting market demand for advanced services. Thus, under the framework of Section 251, incumbent LECs may develop, and provide a full array of, advanced services in response to market demand. At the same time, the obligations of Section 251 will assure that critical network functions and capabilities are available to new entrants for provision of advanced services. TNS believes that harnessing under the framework of the Act the incentives of incumbents to meet the rising demand for advanced services while maintaining opportunities for new entrants to obtain key network elements is the preferable regulatory alternative to promoting provision of advanced services. Incumbent LECs additionally state that they are unlikely to find that the Commission's separate affiliate proposal an attractive way to provide advanced services.⁴ Accordingly, TNS recommends that the Commission not adopt its separate affiliate proposal.

³ 47 U.S.C. Section 251(c).

⁴ Bell Atlantic at 23; BellSouth at 13; CBT at 4-8; GTE at 38; United States Telephone Association at 4; US WEST at 17,18; National Telephone Cooperative Association at 3.

II. STRENGTHENED COLLOCATION AND LOOP UNBUNDLING REQUIREMENTS

TNS urges the Commission to adopt its proposed strengthened collocation and loop unbundling requirements. These proposals would enhance the ability of TNS, its customers, and other technologically innovative companies to successfully offer the advanced services that Congress in Section 706 of the 1996 Act has directed the Commission to encourage.

National Standards. TNS strongly supports national collocation and unbundling standards. As stated in its initial comments, national standards would encourage the deployment of advanced services by increasing predictability and certainty, and by facilitating entry by competitors operating in several states.⁵ The Commission should also determine that what is technically feasible for one incumbent LEC is technically feasible for all incumbents. Incumbent LECs employ the same limited set of technologies and operating equipment. Other than unsupported allegations, incumbent LECs have not offered any basis for concluding that their networks or operating conditions are so different that national standards would not be reasonable.

All Communications Equipment Should Be Eligible for Collocation. The Commission should reject incumbent LECs' requests that only equipment used exclusively for interconnection or access to unbundled network elements should be eligible for collocation.⁶ TNS's experience is that the newest and most efficiently designed telecommunications equipment can perform a number of functions. It would impose significant costs on new entrants if they were required to purchase

⁵ TNS Comments at 7.

⁶ Ameritech at 39; Bell Atlantic at 38-39; CBT at 20-21; GTE at 61-62; SBC at 15-16; US WEST at 36-38.

multiple pieces of equipment instead of being able to take advantage of more efficiently designed equipment - especially when incumbents are using such equipment. The ability of new entrants to collocate any type of equipment, including packet or circuit switches and Digital Subscriber Line Multiplexers (DSLAMs), would facilitate their ability to provide advanced services.

Cageless Collocation. Cageless collocation would provide new entrants a significant opportunity to collocate equipment in incumbent central offices without incurring the significant costs and delays of obtaining and installing cages. Incumbents opposing cageless collocation have not shown that other less expensive central office security measures, such as electronic monitoring, would not provide adequate security. Some incumbents already permit cageless collocation.⁷ This demonstrates that cageless collocation is a reasonable collocation alternative.

Disclosure of Space Available for Collocation. TNS urges the Commission to reject incumbent LECs' view that requests by new entrants for information on the availability of collocation space should be handled on a case-by-case basis without any requirement for advance disclosure of this information.⁸ Only up-front disclosures of this information will enable new entrants to successfully compete for customers by enabling them to know when and where collocation space or conditioned loops are available to enable provision of service. Incumbents have not shown that publishing information concerning the availability of collocation space in each of their central offices would impose unreasonable burdens.

⁷ Ameritech at 42.

⁸ BellSouth at 47; Cincinnati Bell Telephone at 22; GTE at 74; SBC at 20, 31; Ameritech at 16; US WEST at 44.

Conditioned Loops. Conditioned loops are essential for provision of advanced services such as DSL.⁹ Unless incumbents are required to provide conditioned loops on request, new entrants will not be able to provide advanced services except where the loop in question is already free of loading coils, bridge taps, and other devices that can interfere with provision of advanced services. The Commission should reject incumbents' attempts to characterize a loop conditioning requirement as requiring them to provide special, or superior service.¹⁰ Loop conditioning - removing or installing various devices on the loop - is an everyday activity that is essential to ensure that the loop is technically able to provide various requested services. Accordingly, TNS strongly urges the Commission to require incumbent LECs to provide conditioned loops on request.

Sub-Loop Unbundling. As TNS explained in initial comments, in many situations, such as where a loop is provisioned by means of a digital loop carrier (DLC) system at the central office or where there is insufficient collocation space at the central office, subloop unbundling may be the only feasible way for a competitive LEC to access the loop in order to provide advanced services.¹¹ Other than generalized allegations that sub-loop unbundling would be burdensome or technically infeasible, incumbent LECs have failed to show that sub-loop unbundling would not meet the statutory standard under Section 251(c)(3) for designation of unbundled network elements.¹²

Effective Oversight of Ordering and Provisioning of Collocation and Unbundling. Initial comments show a strong concern on the part of new entrants for assuring that incumbent LECs

⁹ *Section 706 Order and NPRM* at para. 166.

¹⁰ Ameritech at 11; Bell Atlantic at 47; US WEST at 45-46.

¹¹ TNS Comments at 9.

¹² *See, e.g.* Bell Atlantic at 52.

comply with market opening provisions of the 1996 Act.¹³ Competitive LECs efforts to provide competitive services are frequently thwarted by incumbents' delays in providing collocation and unbundled network elements. TNS urges the Commission to establish mechanisms by which competitive LECs may obtain timely and effective enforcement of collocation and unbundling requirements.

III. LIMITED INTERLATA RELIEF

TNS does not support the possibility of "limited" interLATA relief to enable the Bell Operating Companies to extend facilities across LATA boundaries in order to access nodes on the Internet.¹⁴ Incumbent LEC contentions on this issue in initial comments merely constitute requests to be relieved in general from the interLATA restrictions of Section 271.¹⁵ The Commission has already concluded that such relief would be unlawful absent full compliance with the market-opening provisions of Section 271.¹⁶ Moreover, TNS' experience is that many carriers are able and willing to provide high speed access to the Internet backbone where demand for it exists. Therefore, it is not necessary to authorize BOCs to move LATA boundaries to promote access to the Internet backbone. Accordingly, the Commission should not proceed with its proposal to permit BOCs to move LATA boundaries in order to promote access to the Internet backbone.

¹³ See e.g., KMC at 1.

¹⁴ TNC Comments at 10.

¹⁵ Ameritech at 58, 62; Bell Atlantic at 3-4; BellSouth at 32-33; SBC at 10; US WEST at 50-54.

¹⁶ *Section 706 Order and NRPM* at para. 18.

IV. CONCLUSION

TNS requests that the Commission not adopt its proposal to permit incumbent LECs to provide advanced services through an unregulated separate affiliate. The Commission should seek to encourage the provision of advanced telecommunications capability to all Americans by providing greater opportunities for incumbent and competitive LECs to provide advanced services by vigorously enforcing and implementing the key market opening provisions of Section 251 of the Act.

Respectfully submitted,




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CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of October 1988, copies of the foregoing
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